CUSTOMER PERCEPTIONS OF THE QUALITY OF CUSTOMER SERVICE PROVIDED BY MOBILE PHONE SERVICE PROVIDERS IN NAIROBI, KENYA

BY:

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DECLARATION

This research project is my original work and has not been presented to any examination body for the award of any certificate.

Name: _____

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D61/70060/2008

This research project has been submitted with my approval as the University supervisor

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DEDICATION

To God and to my family.

ABSTRACT

This survey had three objectives. First, it sought to establish the customer expectations of customer service among mobile phone service subscribers. Secondly, it sought to establish customer perceptions of the customer service they receive from their mobile phone service providers and lastly it sought to identify the service quality gaps that exist in the provision of customer service by the four licensed mobile phone service providers.

In undertaking the study, individual subscribers of mobile phone services within Nairobi were targeted. Primary data was collected from 200 respondents using a semi-structured questionnaire. The questionnaires were self-administered. Respondents were identified within customer care centers of the various mobile phone service providers. The respondents were requested to fill sections A and B of the questionnaire before the customer service encounter and section C after the service encounter.

Results of the study showed that mobile phone subscribers had high expectations with regard to the quality of customer service they expected to receive from their service providers. The results also revealed that customer perceptions of service were below their expectations in all the mobile phone service providers. As a result, the perceptions gap (Gap 5) of service quality existed in all providers because customer expectations were not met or surpassed either in the overall customer service encounters or in relation to the five dimensions of service quality.

Arising from the study findings, it was recommended that mobile phone service providers should endeavor to improve the quality of their customer service through understanding the customers better and responding effectively to their needs. It was also recommended that the service providers should increase the number of customer care centers especially in densely populated areas. Outsourcing of some aspects of customer service was also put forward as a recommendation.

The survey was limited to Nairobi and it is therefore necessary for future research to focus on other regions. The SERVQUAL methodology on which the study was modeled has only been used to measure or close Gap 5 and future research should focus on identifying or closing the other gaps.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE: INTRODUCTION

1.1   Background

Over recent years, organizations have placed increasing emphasis on customer service as a means of gaining competitive advantage. As competition has become more global and more intense, many organizations have realized that they cannot compete on price alone. It is in these market-places that many companies have developed a strategy of providing superior customer service to differentiate their products and services (Cook, 2002). For many companies, customer service is considered an expense. Frequently seen as part of operations, the focus is on how effectively and efficiently questions, claims or issues are resolved. However, customer service is a clear opportunity to create a strong one-on-one brand experience with each customer. When customer service is considered as part of the overall brand experience, it puts this critical function into an entirely different light (Till and Hecker, 2008).

Perception is of great importance in marketing as it defines the customers' overall view of a product or service and determines the ultimate success of an organization. Ngahu (2003) notes that knowledge of the perpetual process is important since the manner in which users of a product or service interpret the information is affected by the cognitive understandings that they have established in their minds. Many firms are concerned with perception because of various reasons. First, it is of great importance to the firms as it involves the constitution of the users' feelings about particular stimuli and helps in the

development of strategies towards meeting that which the users perceive as important (Njoroge, 2003).

Customer service has become an integral part of Kenya's mobile phone industry. Due to the competitive and dynamic nature of the industry, there is need for constant interaction between the service providers and subscribers. As a result, all operators have established fully fledged call centers and customer care centers in various parts of the country in an attempt to ensuring efficient and timely resolution of customer issues and improving overall customer experience. Ngobia (2003) observes that on average, customer care departments in mobile phone companies account for more than 50% of the total employees. This suggests that customer service is crucial for the survival of a company in the mobile phone sector.

1.1.1 The concept of perception

Solomon et al. (2010) define perception as "the process by which physical sensations such as sights, sounds and smells are selected, organized and interpreted" (p. 118). According to Schiffman and Kanuk (1994), "perception is the process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world" (p. 162). A stimulus is any unit of input to any of the senses. Examples of stimuli (sensory input) include products, packages, brand names, advertisements and commercials. Since each individual is a unique entity with unique experiences, wants, needs, wishes and expectations, it follows that each individual perceptions are also unique. This explains why no two people see the world in precisely the same way.

People do not behave according to the facts as others see them. They behave according to the facts as they themselves see them. What governs behavior from the point of view of the individual himself are his unique perceptions of himself and of the world he lives in. Perception is one of the psychological factors influencing consumer – buying behavior (Combs and Snygg, 1959). Sensation is the immediate and direct response of the sensory organs to simple stimuli (an advertisement, a package, a brand name). Sensitivity to stimuli varies with the quality of an individual's sensory receptors and the amount or intensity of the stimuli to which he/she is exposed. For example, a blind person may have a more highly developed sense of hearing than the average sighted person. Sensation itself depends on energy change or differentiation of input. A perfectly bland or unchanging environment – regardless of the strength of the sensory input – provides little or no sensation at all (Schiffman and Kanuk, 1994).

1.1.2 The concept of customer service

Kotler et al. (2001) defined customer service as "all the activities involved in making it easy for customers to reach the right parties within the company to obtain service, answers and resolution of problems" (p. 400). Bearden (1995) notes that "customer service refers to the activities that increase the quality and value that customers receive when they shop and purchase merchandise" (p. 278). Customer service consists of several services to aid in the sale of a product. They may include credit, delivery, gift wrapping, merchandise returns, longer store hours, parking and personal service (Stanton, 1991).

Customer service variables could be categorized into three areas: pre-transactional, transactional and post-transactional. Pre-transactional variables are service activities that relate to the corporate policies and procedures that establish the frameworks and administrative systems to achieve the desired levels of customer service (Brassington and Pettit, 2006). These are the elements which determine the service capability before it is provided (Kapoor, 2003). According to Brassington and Pettit (2006), implicit in this is the setting of customer service standards that can act as a benchmark for measuring achievement. Typical standards cover such areas as reliability, consistency, time, stock-outs and accuracy. These standards derive from the competitive position and the expectations of the target customers and need to be linked with the strategic marketing plan to provide a cost-effective market impact.

Transactional variables are the main dimensions of the implementation phase that actually creates customer service. The concern with physical distribution and administration provides performance measures against the pre-determined standards (Brassington and Pettit, 2006). Transactional elements judge the performance level of various components of buyer-seller transactions. The main elements of transactional service are: order cycle time, consistency and reliability of delivery, inventory availability, order size constraints, ordering convenience, delivery times and flexibility, invoicing procedures and accuracy, claims procedure, condition of goods on arrival and order status information (Kapoor, 2003).

Post-transaction variables are service activities relate to the support given to the product while it is in use. Typical areas include product guarantees, installation support, replacement parts and servicing and the efficient handling of complaints. The sale does not end with delivery. If the buyer cannot use the product properly or if there are delays when something goes wrong, it can be great source of frustration and dissatisfaction. This is especially important when the purchase represents an essential input into a buyer's own product. (Brassington and Pettit, 2006). Post-transaction elements measure consumer satisfaction based on results that come (Kapoor, 2003).

1.1.3 Kenya's Mobile phone Industry

The mobile telephone services in Kenya started in 1992 with the analogue system that was widely known as the Extended Total Access Communication System (ETACS), which was commercially launched in 1993. During this entry period the services were so expensive that it was only a few within the upper echelon of the society that could afford them. The cost of owning a mobile handset was as high as Ksh. 250,000. This resulted in a marginal mobile subscriber growth of less than 20,000 for a period of seven years from 1993 – 1999. The enactment of the Kenya Communications Act, 1998 led to the introduction of competition in the cellular industry. The Communications Commission of Kenya licensed the newly privatized Safaricom Limited and a new market entrant, Kencell Communications, which changed its name to Celtel Kenya, following a 60% shares buyout by Celtel International and re-branded to Zain in 2008. This has witnessed a phenomenal growth in the number of subscribers, as well as the geographic expansion of the cellular service in the country. The number of licensed mobile operators in the

country has increased to four with the licensing of two additional operators – Telkom Kenya (trading as Orange mobile) and Econet Wireless Kenya (trading as YU) (Communications Commission of Kenya, 2010).

At the end of the second quarter of 2009/2010, the four licensed operators had a combined subscriber base of 19.4 million mobile subscribers, a 7.9% increase in the total number of subscribers compared to the previous quarter and 11.9% compared to the same quarter of the previous year (Communications Commission of Kenya, 2010). Mobile penetration in Kenya's telecom market will grow by 95% over the next five years. By end of 2008, Kenya had more than 15 million subscribers, with a mobile penetration rate of 39%. The subscriber base is expected to rise to 29.28 million, or 66.7% penetration, by year-end 2013. Mobile data will be the telecom sector's fastest growing revenue stream, increasing in revenue from US$ 62 million in 2008 to US$ 224 million in 2013, partly due to the launch of 3G services but also due to the explosive growth of low-tech, low-margin mobile data services, particularly mobile money transfers (McHenry, 2009).). As at June 2010, Safaricom controlled 78% of the market, Zain had a 12.5% share, YU followed with 7% and Orange had 2.5% of total subscribers (Nyambiage, 2010).

1.2   Statement of the research problem

For a business to succeed, it should engage in or focus on satisfying customer needs more efficiently than its competitors. As cook (2002) observes, today's customers are increasingly sophisticated, educated, confident and informed. They have high expectations of the service they want to receive, want greater choice and will not be

manipulated. Bradley (2003) adds that "customers will often deal with organizations that may not necessarily be the cheapest, simply because they enjoy the customer service they get. This means that they value the level of service given by employees" (p. 146). Kenya's mobile phone industry is highly competitive and dynamic. According to the Communications Commission of Kenya (2010), the industry has witnessed convergence of services with innovations from mobile operators taking a higher notch. Competition in the voice market is intense as operators have increased their price wars via promotions and special offers on various products and services.

Provision of excellent customer service is therefore of paramount importance to all four mobile phone service providers in Kenya. Ngobia (2003) observes that handling of customers has been a key strategic factor that defines the basis of competition in Kenya's cellular industry. "Prompt, efficient and courteous performance of customer services is one of the most effective promotion tools in today's retail marketplace" (Meyer et al. 1991, p. 218). According to Greene (2006), superior customer service can increase market share. Delighted customers are more likely to become loyal clients, who advocate for the firm and its products, are less price-sensitive and are less likely to seek alternatives (Reichheld, 2006). The telecom industry no longer talks only about customer service – instead, it is addressing the broader topic of customer experience, which includes not just the conversations between customer service representatives and customers when something goes wrong, but the full range of customer contact from when a service is ordered to when it is delivered (Wilson, 2010).

Perception plays a significant role in the service industry. As argued by Lesirma (2006), quality is the main thing that is perceived by the customer. As a result, if the customer perceives that the quality of the service is bad, then it matters little that the 'objective' quality may be good. In essence, Marketing managers need to recognize the efficiency of targeting their products to the perceived needs of customers. In this way, they help to ensure that their products will be well perceived by potential prospects (Schiffman and Kanuk, 1997). "To provide satisfaction effectively in the market-place, marketers must understand how all their marketing activities are perceived because perceptions greatly influence behaviour" (Kibera and Waruingi, 2007, p. 23).

Several studies have been conducted on the concept of perception. Mbobua (2007) studied customer perceived quality of service in the banking sector, Mwongela (2007) studied perception of personal banking customers on the telephone banking services provided by commercial banks in Nairobi, Gitari (2006) studied consumer perception of tariff plans offered by mobile telephone service providers in Nairobi, Sosion (2003) conducted a survey of customer perception of telephone providers' value propositions in Nairobi, and Ngahu (2003) studied factors influencing perception of fortified products in Nairobi. None of these studies sought to measure customer perceptions of the important area of customer service in the mobile phone industry. A knowledge gap therefore exists and hence the basis for this study. To the best of the researcher's knowledge, no similar study has been conducted. The study seeks to answer the question: What is the customer perception of the quality of customer service provided by Kenya's mobile phone operators?

1.3   Research objectives

The research objectives were:

    i)   To establish customer expectations of service.

    ii)   To establish customer perceptions of the quality of service.

    iii)   To determine the service quality gaps that exist in the provision of customer service by the four licensed mobile phone operators.

1.4   Importance of the study

This study will be of importance to academia, mobile phone service providers and the service industry. To academia, the study will provide a basis for further research on the areas of perception and customer service. To mobile phone service operators, the study will provide valuable information in regard to how quality of their customer service is perceived by subscribers. To the service industry, the study will give insight on how to provide superior customer service.

CHAPTER TWO: LITERATURE REVIEW

2.1 The concept of perception

Kibera and Waruingi (2007) view perception "as the process by which we attribute meaning to incoming stimuli received through our five senses" (p. 22). Perception depends not only on the physical stimuli, but also on the stimuli's reaction to the surrounding field and on the conditions within the individual (Kotler, 2003). As the process by which the individual receives, selects, organizes and interprets information in order to create a meaningful picture of the world, people make sense of the world around them (Solomon, 1996). "In a marketing setting, perception means values attached to communications about products received from salespeople, friends, and independent test reports" (Dalrymple and Parsons, 1983, p. 158).

Two individuals may be subject to the same stimuli under apparently the same conditions, but how they recognize them, select them, organize them and interpret them is a highly individual process based on each person's own needs, values and expectations. The lowest level at which an individual can experience a sensation is called the absolute threshold. The point at which a person can detect a difference between 'something' and 'nothing' is the absolute threshold for that stimulus. Under conditions of constant stimulation, such as driving through a corridor of billboards, the absolute threshold increases. After an hour of driving through billboards, it is doubtful that any one billboard will make an impression. The term adaptation refers specifically to 'getting used to'

certain sensations, becoming accommodated to a certain level of stimulation (Schiffman and Kanuk, 1994).

2.1.1 Dynamics of perceptions

These are the perceptual mechanisms that are used in processing received information. Selective exposure is one of these concepts. Individuals make active decisions as to which stimuli they wish to expose themselves to and that consumers are aware of stimuli that relate to their current needs. Consumers decide what to process depending on their past experience with that kind of stimuli (Palmer, 2000). Consumers actively seek out messages that are pleasant or with which they are sympathetic, and they actively avoid painful or threatening ones. Consumers also selectively expose themselves to advertisements that reassure them of the wisdom of their purchase decisions. Selective attention is the other concept on which consumers screen out information coming to them and attend only to a few. Hence they are likely to notice advertisements for products that meet their needs (Kotler, 1995). People also vary in the kind of information in which they are interested and in the form of the message and the type of medium they prefer. Consumers therefore exercise a great deal of selectivity in terms of the attention they give to commercial stimuli.

Perceptual interpretation is the interpretation of perceived events and objects. People interpret the meaning of the perceived world in order to make it useful to their purposes. One of the characteristics of perceptual interpretation is that, it is a subjective process. This is because the perceptual interpretation serves the perceiver, making it highly

subjective. This means that the more important the perceived world is to the perceiver, the greater the influence selective elements like emotions, bias and feelings (Assael, 2004). The other characteristic outlined is that it is a judgmental process. The perceived world is usually expressed in judgmental terms, that is, good or bad, right or wrong and others. A favorably perceived object is pleasing to the perceiver, while an object that is negatively perceived causes the perceiver to act defensively. The perceptual process can easily be distorted, because information inputs are added or subtracted from the perceived world, which is usually different for the real world. The perceiver actively molds the real world to suit his or her needs. If confronted with unpleasant objects or events, the perceiver may distort their meaning or deny their existence (Chung, 1981).

Customers protect themselves from bombardment of stimuli by blocking such stimuli from achieving conscious awareness. This is referred to as perceived blockage. People will forget much that they learn but will tend to retain information that supports their attitudes and beliefs. They remember only those aspects of a product or message that is perceived as necessary to them. Subliminal perception refers to stimuli that are too week or too brief to be consciously seen or heard but may be enough to be perceived by one or more receptor cells. This process occurs when stimuli is below the level of conscious awareness though obviously not beneath the absolute threshold of the receptors involved. However, Solomon (1996) indicates that this works only in individuals.

2.1.2 Factors that influence perceptions

Different people may perceive the same environment differently, based on what particular aspects of the situation they choose to selectively absorb, how they organize this information and the manner in which they interpret it to grasp the situation. Misperceptions occur due to perceptual errors and distortions, and managers are bound to take poor or improper decisions (Pattanayak and Mishra, 1999). The individual is also subject to a number of influences that tend to distort perception. These are either internal or external factors. These factors cause individuals to see the same perceived object differently. Both types of factors affect all phases of perception. However, internal factors tend to have more influence on the selection phase, while external factors have more influence on the interpretive phase (Chung, 1981).

2.1.3 Internal factors that influence perceptions

Some of the most important internal factors influencing perception are expectations, motives and needs, past experience, self-concept and personality. Expectations affect the way someone will perceive an object or event. People usually see what they expect to see, and what they expect to see is usually based on familiarity on previous experience or on preconditioned see. In marketing context, people tend to perceive products and product attributes according to their own expectations. Motives and needs also influence consumer perception. A motive is a need sufficiently stimulated in an individual such that the individual is moved to seek satisfaction (Schiffman and Kanuk, 1997). A motive is an aroused need, which in turn activates behavior intended to satisfy this need. One form that behavior takes is collecting and processing information from the environment, in the

process of perception. Moreover, people tend to perceive things that they need or want and the stronger the need, the greater the tendency to ignore unrelated stimuli in the environment (Stanton et al., 1991). In general, there is a heightened awareness of stimuli that are relevant to one's needs and interests, and a decreased awareness of stimuli that are irrelevant to those needs.

An individual's perceptual process simply attunes itself more closely to those elements of the external environment that are important to that person (Kotler, 1995). There are a number of applications of perceived consumer needs; the retailer can segment the market according to consumers' attributes of the product category, the retailer can also develop different marketing strategies for each segment depending on perceived needs of each segment, the retailer can also vary the product advertising to specific market segments so that consumers in each market segment perceive the product as meeting their own specific needs, wants and interests (Schiffman and Kanuk, 1997).

The process of learning from past experience influences perception by creating a readiness to perceive an object or person in a certain way. If a consumer has a good experience using a particular product, this affects how we will perceive that product even if it changes slightly. Self – concept is the way we perceive ourselves. It forms the basic frame of reference we use in perceiving things and people around us. The perceived world is organized around the perceived self (Leavitt, 1972). Personality is another internal factor that influences perception as it affects the way people perceive others.

Individuals who perceive themselves realistically can function without being defensive of their shortcomings (Chung, 1981).

2.1.4 External factors that influence perceptions

External factors are the characteristic of the perceived objector person. The knowledge of these characteristics has some implications for understanding and influencing human behavior. Some of the most relevant external factors include appearance, stereotypes, contrast, intensity and nature of stimuli. Appearance influences perceptions where people tend to attribute the qualities they associate with certain people to others who may resemble them whether or not they consciously recognize the similarity and this applies to products too. The appearance of the perceived concept influences perceptual judgment Assael (2004). Stereotyping is the tendency to judge a product based on the characteristics (real or imagined) of groups to which they belong. Individuals tend to carry pictures in their minds, of meanings of various kinds of stimuli. These stereotypes serve as expectations of what specific situations or people or events will be like and are important determinants of how much stimuli are subsequently perceived (Chung, 1981).

Contrast, according to Schiffman and Kanuk (1997) is where a generalized impression that may be favorable or unfavorable is extended to the interpretation of non – relevant stimuli. This effect tends to be more pronounced when the perceiver is interpreting stimuli with which he has little experience. Merilke and Cheesman (1987) noted that in general, contrast is one of the most attention–compelling attributes of a stimulus. Retailers often use extreme attention – getting devices to achieve maximum contrast and

thus consumers' personal screen. Palmer (2000) pointed out that intensity also accentuates the perceived stimulus. The more intense a stimulus is, the more likely it is to be perceived.

The nature of the stimulus can also affect how consumers perceive a product. Marketers take advantage of halo effects when they extend a brand name associated with one line of products to another. Consumers tend to give added perceptual weight to advice coming from sources they respect. When required to form a difficult perceptual judgment, consumers often respond to irrelevant stimuli. First impressions tend to be lasting: yet in forming such impressions, the perceiver does not yet know which stimuli are relevant, important, or predictive of later behavior. Many people jump into conclusions before examining all the relevant evidence. Hence consumers may perceive the beginning of an advertisement and jump to conclusions about the message. Marketers should ensure they say the best things right from the beginning.

2.2 The concept of customer service

Kapoor (2003) defines customer service as "a complex of activities involving all areas of the business which combine to deliver a company's products or services in a fashion that is perceived as satisfying by the consumer and which advances the company's objectives" (p. 160). Richard and Collins (1997) provided a definition from a logistics perspective. According to them, customer service is a system organized to provide a continuing link between the time that the order is placed and the goods are received with

the object of satisfying customer needs on a long-term basis. This definition however omits pre – sales services. (p. 296)

Customers, as defined by Greene (2006), are "people who buy the products and services companies offer" (p. 131). The customer is the most important asset. Without customers, companies cannot remain in business. Meyer et al. (1991) point out that there are three main reasons why customers initially buy from and continue to patronize a business. First is the products and services offered for sale. Secondly, the sales – supporting services provided before, during and after the sale. The third reason is goodwill. Goodwill is the positive feeling that people have toward a particular business. Goodwill is the product of many factors, but it is certainly generated by friendliness, honesty and courtesy on the part of a business's employees. Customers prefer to shop where they feel they are valued.

A major differentiating factor for services companies is the quality of customer service. Customers are becoming more sophisticated in their requirements and are increasingly demanding higher standards of service. Several arguments support the choice of customer service as a broader and separate element of the marketing mix; first, the changing customer expectations making the customer more demanding and more sophisticated, secondly, the increased importance of customer service as a competitive weapon with which to differentiate sales and thirdly, the need for a relationship strategy that will create a value proposition for customers. A service company should focus especially on customer service and keep customer satisfaction levels under constant review. Usually,

there is a need for a complaint system which allows unhappy customers to be identified and corrective action taken (Payne, 1993).

2.2.1 Service Quality

Service quality is concerned with the ability of an organization to meet or exceed customer expectations. The measure of performance is perceived service quality (Payne, 1993). ''Quality can only be defined by customers and occurs where an organization supplies goods or services to a specification that satisfied their needs. Goods and services share much of the conceptual underpinning of quality'' (Palmer, 2008, p. 320). However, services tend to pose greater problems in understanding customers' needs and expectations, which form the basis for evaluation. Palmer (2008) identified two important dimensions of service quality – 'instrumental' quality describes the physical aspects of the service, while the 'expressive' dimension relates to the intangible or psychological aspects.

There are two techniques used to help improve service quality. The first one is benchmarking, which involves looking for the best ways to achieve competitive advantage. The company's products, services and practices are continually compared with the standards of the best competitors and identified industry leaders in other sectors. The other technique is service blueprinting/process analysis, a concept which breaks down the basic systems and structures of an organization in order to develop a greater understanding of the service process (Payne, 1993). Lovelock and Wirtz (2007) argue that blueprints can be used to identify potential fail points at which failures are most

likely to occur. Blueprints also help managers understand how failures at one point may have a ripple effect later in the process.

2.2.2 Dimensions of Service Quality

Researchers argue that the nature of services requires a distinctive approach to defining and measuring service quality. The intangible, multi-faceted nature of many services makes it harder to evaluate the quality of a service compared to a good (Lovelock and Wirtz, 2007). From focus group research; Zeithaml et al. (1988) identified 10 criteria used by consumers in evaluating service quality. In subsequent research, they found a high degree of correlation between several of these factors and so consolidated them into five broad dimensions namely: Tangibles (appearance of physical elements); Reliability (dependable, accurate performance); Responsiveness (promptness and helpfulness); Assurance (competence, courtesy, credibility and security); Empathy (easy access, good communications and customer understanding).

2.2.3 Service Quality Measurement

Measurement is needed to determine whether goals for improvement are being met after changes have been implemented. Customer – defined standards and measures of service quality can be grouped into two broad categories; soft and hard. Soft measures cannot easily be observed and must be collected by talking to customers, employees or others and provide direction, guidance and feedback to employees on ways to achieve customer satisfaction and can be quantified by measuring consumer perceptions and beliefs (Lovelock and Wirtz, 2007). The SERVQUAL approach is extensively used in measuring

perceptions of service quality and compares customers' expectations before a service encounter and their perceptions of the actual service delivered (Parasuraman et al., 1985). Hard measures, in contrast, are characteristics and activities that can be counted, timed, or measured through audits. Such measures might include how many minutes customers had to wait in line at a particular stage in the service delivery, the time required to complete a specific task and so on. Organizations that are known for excellent service make use of both soft and hard measures (Lovelock & Wirtz, 2007).

2.2.4 Service Quality Gaps

Parasuraman et al. (1985) developed a model which helps identify the gaps between the perceived service quality that customers receive and what they expect. The model identifies five gaps: consumer expectation – management perception gap; management perception – service quality expectation gap; service quality specifications – service delivery gap; service delivery – external communications gap; and expected service – perceived service gap. The first gap is the difference between consumer expectations and management perception of consumer expectations. The second gap is the difference between management perceptions of consumer expectations and service quality specifications. The third gap is the difference between service quality specification and the service actually delivered. The fourth gap is the difference between service delivery intention and what is communicated about the service to customers. The fifth gap represents the difference between the actual performance and the customers' perception of the service.

Figure 1: The service quality gap model

| Word of mouth communication | Personal needs | Past experience |

Expected service

Gap 5

Perceived service

Marketer

Service delivery (including pre-and post-contacts)

Gap 4

External communication to consumers

Gap 3

Gap 1

Translation of perceptions into service quality specifications

Gap 2

Management perceptions of consumer expectations
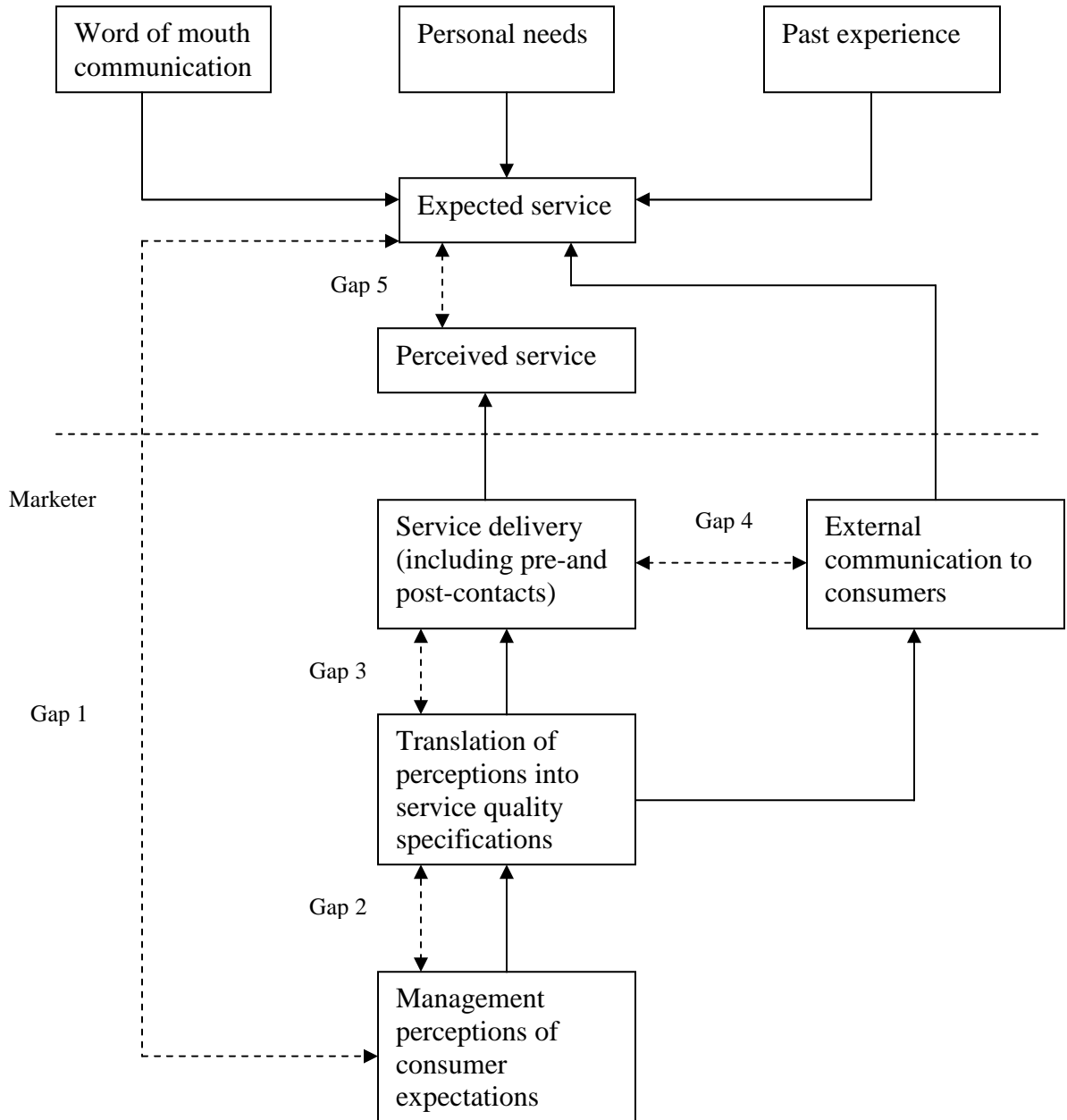
Source: Parasuraman et al.(1985)."*A conceptual model of service quality and its implications for future research*", Journal of Marketing, Fall 1985, p.48

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The study took the form of a descriptive survey. According to Cooper and Emory (1995) the objective of a descriptive study is to learn the 'who, what, when, where and how' of a topic while to survey is to question people and record their responses for analysis.

3.2 Population

The population of interest comprised all mobile phone subscribers in Nairobi. According to the Kenya National Bureau of Statistics (2010), the population of Nairobi is 3.1 million. The Communications Commission of Kenya (2010) estimates Kenya's mobile phone penetration at 49.7 per 100 inhabitants. Based on this, the approximate number of mobile phone subscribers in Nairobi is 1.54 million spread across the four service providers. These formed the population of interest.

3.3 Sample Design

A combination of convenient and proportionate stratified sampling was used in selecting the respondents for the study. A sample of 200 subscribers was used to represent the views of subscribers. According to statisticians, a sample of more than 30 respondents is considered a large sample. Rosco (as cited in Onyango, 2007) proposes a rule of thumb for determining a sample size and says that a size of 30 to 500 is appropriate for most researches. Past studies conducted on the mobile phone industry also used similar or smaller samples. Ofwona (2007), in studying the factors that determine consumer choice

of mobile telephone service providers in Nairobi used a sample of 140 respondents., Gitari (2006) used a sample size of 200 to study consumer perception of tariff plans offered by mobile telephone service providers in Nairobi, and Sosion (2003) used a sample of 90 respondents in studying customer perception of telephone providers' value propositions in Nairobi. Based on market share, proportionate stratified sampling was used to determine the number of respondents from each operator. Lehmann et al. (1998) observe that "for proportionate stratified sampling, the sample size of each stratum is given by the proportion of the population that falls into that stratum" (p. 319). Consequently, 156 Safaricom, 25 Zain, 14 YU and 5 Orange subscribers were included in the sample. Judgmental sampling was then used to identify the respondents in mobile service providers' customer care centers in Nairobi.

3.4 Data Collection

Primary data was collected for this study. The data collection instrument was a semi – structured questionnaire. According to Churchill (1991) the greatest advantage of the structured – undisguised questionnaire is that it is simple to administer and easy to tabulate and analyze. Section A of the questionnaire recorded personal information of the respondents; Section B sought to establish customer service expectations of the respondents and was filled before the customer service experience. Section C sought to establish the respondents' perception of service they received from their operator's customer care center and was filled after the service experience. Sections B and C of the questionnaire were adopted from the SERVQUAL model developed by Parasuraman et al., (1985) and modified to suit the study. Statements 1 – 4 captured the Tangibles

dimension of service quality, 5 – 9 captured the Reliability dimension, 10 – 13 captured the Responsiveness dimension, 14 – 17 captured the Assurance dimension and 18 – 21 captured the Empathy dimension of service quality. Data collection was conducted by the researcher with the help of two trained assistants. The questionnaires were self - administered.

3.5 Data Analysis

Data was analyzed through the use descriptive statistics. This was in the form of percentages, frequency distributions and mean scores. The percentages and frequency distributions were used to summarize and reflect the relative weight of the specific characteristics of the respondents. Mean scores were calculated from the responses which were rated on a 5-point likert-type scale, where 1 was lowest and 5 was highest, to determine customer expectations and perceptions of service and to compute the service quality gaps that existed.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATION OF THE RESULTS

4.0 Introduction

This chapter contains summaries of data findings together with their interpretations by use of percentages, frequencies and mean scores. A total of 200 respondents were interviewed, representing a response rate of 100%.

4.1 Demographic information of the respondents

4.1.1 Age of respondents

Table 1: Distribution of respondents by age

Age	Frequency				Total	Percentage
	Safaricom	**Zain**	**YU**	**Orange**		
Below 21	7	-	1	-	8	4%
21 – 30	89	9	8	3	109	54.5%
31 – 40	41	14	5	2	62	31%
41 – 50	16	2	-	-	18	9%
Above 50	3	-	-	-	3	1.5%
Total	**156**	**25**	**14**	**5**	**200**	**100%**

Source: Research data

Respondents between the ages of 21 and 30 were the majority; representing 54.4% of the respondents, followed by respondents aged 31 – 40 who represented 31% of all respondents. Respondents aged 41 – 50, below 21 and above 50 respondents represented 9%, 4% and 1.5% of the total respondents respectively.

4.1.2 Gender of respondents

Table 2: Distribution of respondents by gender

Gender	Frequency				Total	Percentage
	Safaricom	**Zain**	**YU**	**Orange**		
Male	91	14	10	2	117	58.5%
Female	65	11	4	3	83	41.5%
Total	**156**	**25**	**14**	**5**	**200**	**100%**

Source: Research data

Male respondents were the majority; representing 58.5% of the total respondents. Female respondents represented 41.5% of all the respondents.

4.1.3 Education level of respondents

Table 3: Distribution of respondents by education level

Education Level	Frequency				Total	Percentage
	Safaricom	**Zain**	**YU**	**Orange**		
Primary	-	-	-	-	-	-
Secondary	39	3	3	1	46	23%
College	96	17	10	3	126	63%
University	21	5	1	1	28	14%
Total	**156**	**25**	**14**	**5**	**200**	**100%**

Source: Research data

Majority of the respondents had college level of education; representing 63% of all the respondents. Subscribers with Secondary level of education accounted for 23% of the respondents, while those with University level of education represented 14% of the respondents. No respondent reported having primary level education.

4.2 Type of service subscribed

Table 4: Distribution of respondents by type of service subscribed

Service Type	Frequency				Total	Percentage
	Safaricom	**Zain**	**YU**	**Orange**		
Prepaid	151	25	14	5	195	97.5%
Postpaid	5	-	-	-	5	2.5%
Total	**156**	**25**	**14**	**5**	**200**	**100%**

Source: Research data

Prepaid subscribers represented 97.5% of the respondents, while Postpaid subscribers represented 2.5%. All Postpaid respondents were Safaricom subscribers.

4.3 Customer expectations of service

The study used a likert-type scale in which 5,4,3,2 and 1 represented continuum scores for Strongly agree, Agree, Neither agree nor disagree, Disagree and Strongly disagree respectively. In the data analysis and interpretation, mean scores of 4.45 – 5.00 represented strongly agree; 3.45 – 4.44 represented agree; 2.45 – 3.44 represented neither agree nor disagree; 1.45 – 2.44 represented disagree and mean scores below 1.45 represented strongly disagree.

Table 5: Overall customer service expectations

Statement	Mean scores per statement				Overall mean for all providers
	Safaricom	**Zain**	**YU**	**Orange**	
1	4.26	4.12	4.36	4.00	4.19
2	4.22	4.24	4.14	3.80	4.10
3	4.38	4.40	4.57	4.40	4.44
4	3.96	4.08	4.21	3.75	4.00
5	4.29	4.20	4.64	4.40	4.38

6	4.47	4.24	4.50	4.20	4.35
7	4.42	4.12	4.29	3.60	4.11
8	4.41	4.48	4.71	4.20	4.45
9	4.38	4.00	4.36	4.00	4.19
10	4.41	4.20	4.36	4.40	4.34
11	4.71	4.52	4.71	4.80	4.69
12	4.60	4.44	4.71	4.60	4.59
13	4.44	4.31	4.57	4.00	4.33
14	4.48	4.24	4.29	3.80	4.20
15	4.37	4.40	4.50	4.00	4.32
16	4.68	4.60	4.86	4.80	4.74
17	4.64	4.76	4.79	4.80	4.75
18	4.47	4.48	4.64	4.20	4.45
19	4.54	4.56	4.29	4.00	4.35
20	4.41	4.36	4.00	3.40	4.04
21	4.35	4.32	4.36	3.60	4.16
Overall mean for all statements	**4.42**	**4.34**	**4.47**	**4.13**	**4.34**

Source: Research data

4.3.1 Overall customer expectations of service for all mobile   service providers

The overall mean customer expectations score for all respondents was 4.34. The statement with the highest overall mean score was 4.75 for statement 17 which states that personnel will have the knowledge to answer to customers' questions, meaning that respondents strongly agreed with the statement. Statement 4, which states that materials associated with the service such as pamphlets or statements will be visually appealing had the lowest overall mean score of 4.00, which shows that respondents agreed with the statement.

28

4.3.2 Customer expectations of service for individual mobile service providers

YU had the highest overall mean score of 4.47. The statement with which YU subscribers recorded the highest agreement was statement 16 on personnel courtesy, which had a mean score of 4.86. With a mean score of 4.00, statement 20 on the customer care center having the best interest of customer at heart had the lowest score for YU subscribers. Safaricom had the second highest overall mean score of 4.42, with subscribers strongly agreeing with statement 11 which talked about the provision of prompt service to customers, posting the highest mean score of 4.71. The lowest expectation mean score for Safaricom was for statement 4 which was measuring importance of the visual appeal of materials associated with service, with which subscribers agreed recording a mean score of 3.96. Zain had the third highest overall mean score of 4.34. The statement with the highest mean score for Zain was 4.60 for statement 16 which implored the importance of personnel courtesy to customers, meaning the subscribers strongly agreed with the statement. Zain subscribers' least score for a statement was 4.00 for statement 9 on error-free records, with which they agreed. Orange had the lowest overall expectations mean score of 4.13. Orange subscribers strongly agreed with statements 11, 16 and 17 which talked about provision of prompt service, courtesy of personnel and personnel knowledge respectively, by scoring a mean score of 4.80 for each statement. With a mean score of 3.40 for statement 20, Orange subscribers took a neutral position.

4.3.3 Overall customer expectations of service by service quality dimensions for all mobile service providers

Table 6: Customer service expectations by service quality dimensions

Dimension	Statements	Mean scores by dimension				Overall mean for all providers
		Safaricom	Zain	YU	Orange	
Tangibles	1 – 4	4.21	4.21	4.32	3.99	4.18
Reliability	5 – 9	4.39	4.21	4.50	4.08	4.30
Responsiveness	10 – 13	4.54	4.37	4.59	4.45	4.49
Assurance	14 – 17	4.54	4.50	4.61	4.35	4.50
Empathy	18 – 21	4.44	4.43	4.32	3.80	4.25

Source: Research data

The Assurance dimension had the highest overall mean score for all the mobile service providers, recording a means score of 4.50, meaning that respondents strongly agreed with the service expectation statements of the dimension. For this dimension, YU had the highest mean score, followed by Safaricom, Zain and Orange respectively. The second dimension in terms of overall mean score was Responsiveness, which scored 4.49 in terms of customer expectations of service, hence respondents also strongly agreed. For this dimension, YU had the highest mean score, followed by Safaricom, Orange and Zain respectively. Reliability was third with an overall mean score of 4.30, implying that respondents agreed with the statements associated with this dimension. For this dimension, YU had the highest score, followed by Safaricom, Zain and Orange respectively. The Empathy dimension was fourth, posting an overall mean score of 4.25 which also indicates that respondents agreed with the statements associated with the dimension. For this dimension, Safaricom had the highest score, followed by Zain, YU and Orange respectively. Tangibles dimension scored the least in terms of customer

expectations of service, with an overall mean of 4.18, which also indicates that respondents agreed with the statements representing this dimension. For this dimension, YU had the highest score, followed by Safaricom/Zain and Orange was third.

4.3.4 Customer expectations of service by service quality dimensions for individual mobile phone service providers

For Safaricom, the dimensions of Responsiveness and Assurance had the highest mean score of 4.54 for each dimension, indicating that subscribers strongly agreed with the statements falling under these two dimensions. The lowest mean score of 4.21 for Safaricom was in the Tangibles dimension. Zain recorded the highest mean score of 4.50 in the Assurance dimension, while the lowest mean score was in the Tangibles and Reliability dimensions which had a mean score of 4.21 each. YU had the Responsiveness dimension scoring the highest with a mean score of 4.59, while the lowest score of 4.32 was recorded in the Tangibles and Empathy dimensions of service quality. Orange had their highest mean score of 4.45 in the Responsiveness dimension and the lowest mean score of 3.80 in the Empathy dimension.

4.4 Customer perceptions of service

The study used a likert-type scale in which 5,4,3,2 and 1 represented continuum scores for Strongly agree, Agree, Neither agree nor disagree, Disagree and Strongly disagree respectively. In the data analysis and interpretation, mean scores of 4.45 – 5.00 represented strongly agree; 3.45 – 4.44 represented agree; 2.45 – 3.44 represented neither

agree nor disagree; 1.45 – 2.44 represented disagree and mean scores below 1.45 represented strongly disagree.

4.4.1 Overall customer perceptions of service for all mobile phone service providers

Table 7: Overall customer perceptions of service

Statement	Mean scores per statement				Overall Mean score for all providers
	Safaricom	**Zain**	**YU**	**Orange**	
1	4.16	4.20	3.93	4.00	4.07
2	4.13	3.92	4.29	4.40	4.19
3	3.76	4.36	4.14	4.60	4.22
4	3.41	3.84	3.93	3.80	3.75
5	2.55	3.12	3.93	3.80	3.35
6	2.46	2.32	3.64	3.40	2.96
7	2.84	3.08	4.29	3.20	3.35
8	2.15	3.08	3.64	3.00	2.97
9	2.94	2.96	3.71	3.80	3.35
10	2.21	2.76	3.29	2.80	2.77
11	2.09	2.88	3.93	3.00	2.98
12	2.87	3.00	4.14	3.40	3.35
13	2.57	3.12	3.36	2.80	2.96
14	3.52	3.16	3.71	3.80	3.55
15	3.35	3.96	3.86	4.00	3.79
16	2.88	2.44	3.36	2.80	2.87
17	3.75	4.20	4.29	4.00	4.06
18	2.95	2.56	3.29	2.60	2.85
19	3.29	3.44	3.86	3.20	3.45
20	3.14	3.68	4.07	4.20	3.77
21	3.20	3.08	3.64	3.20	3.28
Overall mean for all statements	**3.06**	**3.29**	**3.82**	**3.51**	**3.42**

Source: Research data

The overall customers' perceptions of service mean score for all respondents was 3.42, meaning that mobile phone service subscribers neither agreed nor disagreed with the quality of service provided by their operators. The highest overall mean score for a statement was 4.22 for statement 3 which stated that personnel at the customer care center are neat in appearance. This implies that the respondents agreed with this statement. The lowest overall mean score for a statement was 2.77 for statement 10 which talked about personnel telling customers exactly when services will be performed. This implies that the respondents took a neutral position concerning the statement.

4.4.2 Customer perceptions of service for individual mobile phone service providers

YU had the highest overall mean score of 3.82, which implies that respondents agreed with the statements on customer perceptions of service. The statement with the highest mean score for YU was 4.29 for statements 2, 7 and 17 which were about the visual appeal of the physical facilities; the customer care center getting things right the first time and the knowledge of personnel respectively. The lowest mean score for YU was 3.29 for statement 10 about personnel telling customers exactly when services will be performed. Orange had the second highest overall mean score of 3.51, meaning that respondents agreed with the statements. The highest mean score for a statement for Orange was 4.60 for statement 3 about the neat appearance of customer service personnel, with which the respondents strongly agreed. The lowest score for a statement for Orange was 2.60 for statement 18 about customer service staff giving individual

attention to customers, which implies that the respondents neither agreed nor disagreed with the statement. Zain had the third highest overall mean score of 3.29, which indicates that respondents neither agreed nor disagreed with the statements. The highest mean score for a statement was 4.36 for statement 3 which talked about the neat appearance of customer service personnel, with which respondents agreed. The lowest statement score for Zain was 2.32 for statement 6 about customer service staff showing sincere interest in solving customers' problems, implying that the respondents disagreed with the statement. Safaricom had the lowest overall mean score of 3.06, meaning that respondents neither agreed nor disagreed with the statements. The highest for a statement for Safaricom was 4.16 for statement 1 which talked about the customer care center having modern looking equipment, with which respondents agreed. On the other hand, the lowest statement mean score for Safaricom was 2.09 for statement 11 which was about the provision of prompt service to customers, implying that respondents disagreed with the statement.

4.4.3 Overall customer perceptions of service by service quality dimensions for all mobile phone service providers

Table 8: Customer service perceptions by service quality dimensions

Dimension	Statements	Mean scores by dimension				Overall mean for all providers
		Safaricom	Zain	YU	Orange	
Tangibles	1 – 4	3.86	4.08	4.07	4.20	4.05
Reliability	5 – 9	2.59	2.91	3.84	3.44	3.20
Responsiveness	10 – 13	2.44	2.94	3.68	3.00	3.02
Assurance	14 – 17	3.37	3.44	3.80	3.65	3.57
Empathy	18 – 21	3.14	3.19	3.71	3.30	3.34

Source: Research data

Tangibles dimension had the highest overall mean score of 4.05 for all mobile service providers, indicating that respondents agreed with the dimension's attributes. In this dimension, Orange scored the highest, followed by Zain, YU and Safaricom respectively. Assurance had the second highest mean score in customers' perceptions of service quality, with a score of 3.57 meaning that respondents also agreed with the statements representing the dimension. For this dimension, YU had the highest score, followed by Orange, Zain and Safaricom respectively. The dimension with the third highest overall mean score was Empathy, scoring 3.34 and indicating that respondents neither agreed nor disagreed with the statements associated with the dimension. For this dimension, YU had the highest score, followed by Orange, Zain and Safaricom respectively. Reliability had the fourth highest overall mean score of 3.20, implying that respondents took a neutral position on the statements representing this dimension. YU had the highest reliability mean score, followed by Orange, Zain and Safaricom respectively. Responsiveness dimension had the lowest overall mean score of 3.02, indicating too that the respondents neither agreed nor disagreed with the statements covering the dimension. In this dimension, YU had the highest mean score, followed by Orange, Zain and Safaricom respectively.

4.4.4 Customer perceptions of service by service quality dimensions for individual mobile phone providers

Safaricom had the highest mean score of 3.86 in the Tangibles dimension, meaning that respondents agreed with the statements representing the dimension. The lowest mean score for Safaricom of 2.44 was in the Responsiveness dimension and indicates that

respondents disagreed with the statements associated with the dimension. Zain had the highest mean score of 4.08 in the Tangibles dimension, meaning that respondents did agree with the statements representing the dimension. The lowest mean score for Zain of 2.91 was registered in the Reliability dimension, indicating that respondents neither agreed nor disagreed with the dimension's statements. YU on the other hand had the highest mean score of 4.07 in the Tangibles dimension, indicating that respondents agreed with the statements representing the dimension. The lowest mean score for YU of 3.68 was in the Responsiveness dimension, implying that respondents agreed with the statements associated with the dimension. Orange recorded the highest mean score of 4.20 in the Tangibles dimension, with which respondents agreed, while the lowest mean score of 3.00 was recorded in the Responsiveness dimension, meaning that respondents neither agreed nor disagreed with the statements representing the dimension.

4.5 Service quality gaps

The service quality gaps for this study were derived form the difference between the customers' perceptions of service quality and their expectations of service quality (Service quality gap = Customers' perceptions of service quality – Customers' expectations of service quality). Given the objectives of the study, the only gap that can be identified and or closed is the Perceptions gap (Gap 5) because the study focuses on measuring customer expectations and perceptions of service quality.

4.5.1 Overall service quality gaps

Table 9: Overall service quality gaps

Operator	Expectations score	Perceptions score	Gap score
Safaricom	4.42	3.06	- 1.36
Zain	4.34	3.29	- 1.05
YU	4.47	3.82	- 0.65
Orange	4.13	3.51	- 0.62
Overall mean Score for all providers	**4.34**	**3.42**	**- 0.92**

Source: Research data

The overall service quality gap mean score for all mobile phone service providers was – 0.92, meaning that the customers' expectations of service quality were not met or surpassed. Safaricom had the biggest service quality gap score of – 1.36, Zain followed with a gap score of – 1.05, YU had a gap score of – 0.65 and Orange recorded the smallest service quality gap score of – 0.62.

4.5.2 Overall service quality gaps by service quality dimension for all mobile service providers

Table 10: Service quality gaps by service quality dimensions

Dimension	Operator	Expectations score	Perceptions score	Gap score	Dimension Gap score
Tangibles (1 – 4)	Safaricom	4.21	3.86	-0.35	
	Zain	4.21	4.08	-0.13	
	YU	4.32	4.07	-0.25	
	Orange	3.99	4.20	0.21	- 0.13
Reliability (5 – 9)	Safaricom	4.39	2.59	-1.80	
	Zain	4.21	2.91	-1.30	
	YU	4.50	3.84	-0.66	- 0.10
	Orange	4.08	3.44	-0.64	

Responsiveness (10 – 13)	Safaricom	4.54	2.44	-2.10	- 1.47
	Zain	4.37	2.94	-1.43	
	YU	4.59	3.68	-0.91	
	Orange	4.45	3.00	-1.45	
Assurance (14 – 17)	Safaricom	4.54	3.37	-1.17	- 0.94
	Zain	4.50	3.44	-1.06	
	YU	4.61	3.80	-0.81	
	Orange	4.35	3.65	-0.70	
Empathy (18 – 21)	Safaricom	4.44	3.14	-1.30	- 0.91
	Zain	4.43	3.19	-1.24	
	YU	4.32	3.71	-0.61	
	Orange	3.80	3.30	-0.50	

Source: Research data

Responsiveness dimension had the highest overall service quality gap score of – 1.47. In this dimension, Safaricom had the biggest service quality gap score, followed by Orange, Zain and YU respectively. Assurance dimension had the second highest overall service quality gap score of – 0.94, with Safaricom having the biggest service quality gap score, followed by Zain, YU and Orange respectively. Empathy dimension had the third highest overall service quality gap score of – 0.91. For this dimension, Safaricom had the biggest service quality gap, followed by Zain, YU and Orange respectively. Tangibles dimension had the fourth highest overall service quality gap of – 0.13. Safaricom had the biggest service quality gap, followed by YU and Zain respectively. However, the gap score for Orange was positive (0.21), meaning that customers' expectations had been surpassed and therefore a service quality gap did not exist. Reliability posted the lowest overall service quality gap score of – 0.10, with Safaricom having the highest gap score in the dimension, followed by Zain, YU and Orange respectively.

4.5.3 Service quality gaps by service quality dimensions for individual mobile phone providers

Safaricom recorded the biggest service quality gap score of – 2.10 in the Responsiveness dimension and the lowest service quality gap of – 0.35 in the Tangibles dimension. Zain had the biggest service quality gap score of – 1.43 in the Responsiveness dimension and the lowest service quality gap score of – 0.13 in the Tangibles dimension. YU recorded the biggest service quality gap score of – 0.91 in the Responsiveness dimension and the lowest gap score of – 0.25 in the Tangibles dimension. For YU, the biggest service quality gap score of – 1.45 was in the Responsiveness dimension, while the lowest gap was in the Empathy dimension. Orange also exceeded customer expectations in the Tangibles dimension.

CHAPTER FIVE: DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This study had three objectives. The first objective sought to establish the customer expectations of service. The second sought to establish the customer perceptions of the customer service provided by mobile phone service providers. The last objective was to identify the service quality gaps that exist in the provision of customer service by the four licensed providers. This chapter presents the discussion of findings, conclusion and recommendations for further study.

5.1 Discussion

From the data analysis, it was established that the majority of the respondents were aged between the ages of 21 and 40, most of them were male, had at least secondary level of education of education and the larger proportion were prepaid subscribers. It was also established that mobile phone service subscribers had high expectations with regard to the quality of customer service they should from their service providers' customer care centers (an overall mean score of 4.34). YU subscribers recorded the highest customer expectations of service quality, followed by Safaricom subscribers then Zain and Orange subscribers followed in that order. In terms of the five service quality dimensions, Assurance emerged as the dimension which a majority of subscribers consider most important in the provision of customer service. Responsiveness followed in order of importance to subscribers, followed by Reliability and Empathy dimensions. The

dimension of Tangibles was considered the least important by subscribers, meaning that they did not give great emphasis on the physical attributes of the customer care centers.

On customer perceptions of service quality, the research established that subscribers of all mobile phone service providers rated the customer service relatively unfavorably (a mean score of 3.42). According to Cook (2002), the perception of the service which customers receive is dependent upon their expectations. If the treatment which the customer receives is better than his or her expectations, this is excellent service. If the treatment which the customer receives is less than his or her expectations, this consists of bad service. YU subscribers had the most favorable perception of service, followed by Orange, Zain and Safaricom subscribers respectively. In terms of the service quality dimensions, the Tangibles dimension emerged as the most favorably perceived in terms of actual customer service delivery, followed by Assurance, Empathy, Reliability and Responsiveness in that order.

The service quality gap model developed by Parasuraman et al. (1985) was used to identify the service quality gaps that exist in the provision of customer service by the four service providers. From the research findings, the Perceptions gap (Gap 5) was the only gap that could by identified given the scope of the study and its objectives. This gap is given by the difference between customer perceptions of the service provided and the customer expectations of service. The gap's existence means that the customer expectations of service by subscribers of all the service providers were not met or exceeded. From the study findings, Safaricom had the biggest service quality gap,

followed by Zain, YU had the third biggest gap and Orange had the least service quality gap. It is evident from the study that the more the subscribers, the higher the perceptions gap of service quality. In terms of the service quality dimensions, the biggest service quality gap was recorded on the Responsiveness dimension, followed by Assurance, Empathy, Tangibles and lastly on the Reliability dimension.

5.2 Conclusions

From the research findings, it can be concluded that personnel knowledge to answer customers' questions and being consistently courteous with customers are considered as the most important in the development of customer expectations of service, while the least important was the visual appeal of the materials associated with the service. It can also be concluded that the aspects of service quality associated with the Assurance dimension are considered the most important by subscribers in the provision of customer service in the mobile phone industry in Nairobi, followed by factors associated with the Responsiveness, Reliability, Empathy and Tangibles dimensions respectively. In terms of customers' perceptions of service quality, it can be concluded that the perception by subscribers that customer service personnel were neat in appearance was the most favorable while the least favorable perception was that personnel tell customers exactly when services will be performed. The Tangibles dimension was perceived as the most well delivered by all the mobile phone service providers, followed by Assurance, Empathy, Reliability and Responsiveness dimensions respectively.

The study findings also bring out the fact that customer perceptions of service quality by mobile phone subscribers are lower than their expectations of service quality, hence the existence of the Perceptions gap (Gap 5) in all the mobile phone service providers. The discrepancy between customer expectations and perceptions of service quality is highest in the Responsiveness dimension and least in the Reliability dimension. It can also be concluded that Orange was the only mobile service provider to exceed customer expectations, with a higher customer perception score in the Tangibles dimension of service quality.

5.3 Recommendations

The mobile phone service providers should improve the delivery of customer service in their customer care centers so as to bridge the gap between customer perceptions of service and their expectations of service. This can be done by better understanding their customers and responding effectively to their needs. Mobile phone service providers should also increase the number of customer care centers especially in densely populated areas to enhance easier access and quicker service. This would also reduce congestion and pressure on capacity in the existing customer care centers. Outsourcing of some aspects of customer service should also be considered as an option by the mobile phone service providers.

5.4 Limitations of the study

One of the limitations of this study was the time and resource constraints. Had these not been limited, a larger sample of the population would have been studied. The study was

also limited in scope. Having only been conducted in Nairobi, the customer service experiences in Nairobi may differ from those in other towns and in rural areas. Another limitation of the study was that the SERVQUAL methodology on which the study was modeled has been criticized for not giving a complete picture of needs, expectations and perceptions in a service organization context.

5.5 Suggestions for further research

Arising from the research findings, it would be helpful to replicate the study in another setting and/or include a larger sample. A study should also be carried out on the relationship between the quality of customer service and consumer choice of or loyalty to a mobile phone service provider. A broader study which can held identify other service quality gaps should also be considered.

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APPENDIX I: LETTER OF INTRODUCTION

Francis M. Musembi,

School of Business,

University of Nairobi,

P.O. Box 30197, Nairobi.

October, 2010.

Dear Respondent,

RE: COLLECTION OF RESEARCH DATA

I am a postgraduate student at the University of Nairobi, School of Business. In order to fulfill the degree requirements, I am undertaking a management research project on customer perception of the quality of customer service provided by mobile phone service providers in Nairobi.

You have been selected to form part of this study. This is, thus, to kindly request you to assist by filling out the accompanying questionnaire. The information you provide will be used exclusively for academic purposes and will be treated in strict confidence.

Your cooperation will be highly appreciated. Thank you.

Yours faithfully,

Francis M. Musembi,   **Mrs. Mary Kinoti**

MBA Student,   **Lecturer, School of Business,**

University of Nairobi.   **University of Nairobi**

APPENDIX II: QUESTIONNAIRE

SECTION A (Please tick appropriately)

1. What is your age?

Below 21 ☐   21 – 30 ☐   31 – 40 ☐

41 – 50 ☐   Above 50 ☐

2. What is your gender?

Male   ☐   Female   ☐

3. What is your level of education?

Primary ☐   Secondary ☐   College ☐   University ☐

4. Which is your mobile phone service provider?

Safaricom ☐   Zain ☐   Orange ☐   YU ☐

5. Which service do you subscribe to?

Prepaid   ☐   Postpaid   ☐

SECTION B (Customer expectations of service)

To what extent are the following attributes essential for excellent customer service in your mobile phone service provider's customer care center? Please indicate on a scale of 1 to 5, where 1 is strongly disagree, 2 is disagree, 3 is neither agree nor disagree, 4 is agree, and 5 is strongly agree (tick only one per statement).

	5	4	3	2	1
1. The customer care center will have modern looking equipment	( )	( )	( )	( )	( )
2. The physical facilities will be visually appealing	( )	( )	( )	( )	( )
3. Personnel at the customer care center will be neat in appearance	( )	( )	( )	( )	( )
4. Materials associated with the service such as pamphlets or statements will be will visually appealing	( )	( )	( )	( )	( )
5. When the staff promise to do something by a particular time they will do so	( )	( )	( )	( )	( )
6. When a customer has a problem, the staff will show sincere interest in solving it	( )	( )	( )	( )	( )
7. The customer service center will get things right the first time	( )	( )	( )	( )	( )
8. The customer care centers will provide services at the time they promise	( )	( )	( )	( )	( )
9. Customer care centers will insist on error – free records	( )	( )	( )	( )	( )
10. Personnel will tell customers exactly when services will be performed	( )	( )	( )	( )	( )
11. Personnel will give prompt service to customers	( )	( )	( )	( )	( )

12. Personnel will always be willing to
help ( ) ( ) ( ) ( ) ( )
13. Personnel will never be too busy to
respond to customers' requests ( ) ( ) ( ) ( ) ( )
14. Behavior of personnel will instill
confidence in customers ( ) ( ) ( ) ( ) ( )
15. Customers will feel safe in their
dealings with the customer care
center ( ) ( ) ( ) ( ) ( )
16. Personnel will be consistently
courteous with customers ( ) ( ) ( ) ( ) ( )
17. Personnel will have the knowledge
to answer to customers' questions ( ) ( ) ( ) ( ) ( )
18. Staff will give customers individual
attention ( ) ( ) ( ) ( ) ( )
19. Operating hours will be convenient
to all customers. ( ) ( ) ( ) ( ) ( )
20. The customer care center will have the
best interests of the customer at heart ( ) ( ) ( ) ( ) ( )
21. The personnel will understand your
specific needs ( ) ( ) ( ) ( ) ( )

SECTION C (Customer perceptions of service)

The following set of statements relate to your feelings about the customer care center you have visited. For each statement, indicate to what extent you believe the customer care center has the feature described by the statement. Please indicate on a scale of 1 to 5, where 1 is strongly disagree, 2 is disagree, 3 is neither agree nor disagree, 4 is agree, and 5 is strongly agree (tick only one per statement).

	5	4	3	2	1
1. The customer care center has modern looking equipment	( )	( )	( )	( )	( )
2. The physical facilities are visually appealing	( )	( )	( )	( )	( )
3. Personnel at the customer care center are neat in appearance	( )	( )	( )	( )	( )
4. Materials associated with the service such as pamphlets or statements are visually appealing	( )	( )	( )	( )	( )
5. When the staff promise to do something by a particular time they do so	( )	( )	( )	( )	( )
6. When a customer has a problem, the staff show sincere interest in solving it	( )	( )	( )	( )	( )
7. The customer service center gets things right the first time	( )	( )	( )	( )	( )
8. The customer care center provides services at the time they promise	( )	( )	( )	( )	( )
9. Customer care center insists on error – free records	( )	( )	( )	( )	( )
10. Personnel tell customers exactly when services will be performed	( )	( )	( )	( )	( )
11. Personnel give prompt service to customers	( )	( )	( )	( )	( )
12. Personnel are always be willing to help	( )	( )	( )	( )	( )
13. Personnel arel never be too busy to respond to your requests	( )	( )	( )	( )	( )
14. Behavior of personnel instills confidence in you	( )	( )	( )	( )	( )

15. You feel safe in their

dealings with the cutomer care

center   ( )   ( )   ( )   ( )   ( )

16. Personnel are consistently

courteous with you   ( )   ( )   ( )   ( )   ( )

17. Personnel have the knowledge

to answer to your questions   ( )   ( )   ( )   ( )   ( )

18. Staff gives you individual

attention   ( )   ( )   ( )   ( )   ( )

19. Operating hours are convenient

to all customers.   ( )   ( )   ( )   ( )   ( )

20. The customer care center has the

best interests of the customer at

heart   ( )   ( )   ( )   ( )   ( )

21. The personnel understand your

specific needs   ( )   ( )   ( )   ( )   ( )

Thank you for the time you have spent filling this questionnaire.

APPENDIX III: SAMPLE SELECTION

OPERATOR	CUSTOMER CARE CENTER	RESPONDENTS
Safaricom	Buruburu	20
	Kimathi Street	20
	I&M Building	20
	Moi Avenue	31
	Moi Avenue – Advantage (Postpay)	5
	Sarit Centre	20
	Nakumat Mega	20
	Eastleigh	20
Zain	Uniafric House	15
	Sarit Centre	10
YU	Essar House	14
Orange	Extelcoms House	5
TOTAL		**200**